

JOHN F. KERRY, MASSACHUSETTS, CHAIRMAN  
CHRISTOPHER S. BOND, MISSOURI, RANKING MEMBER

CARL LEVIN, MICHIGAN  
TOM HARKIN, IOWA  
JOSEPH I. LIEBERMAN, CONNECTICUT  
PAUL D. WELLSTONE, MINNESOTA  
MAX CLELAND, GEORGIA  
MARY LANDRIEU, LOUISIANA  
JOHN EDWARDS, NORTH CAROLINA  
MARIA CANTWELL, WASHINGTON  
JEAN CARNAHAN, MISSOURI

CONRAD BURNS, MONTANA  
ROBERT F. BENNETT, UTAH  
OLYMPIA J. SNOWE, MAINE  
MICHAEL ENZI, WYOMING  
PETER G. FITZGERALD, ILLINOIS  
MIKE CRAPO, IDAHO  
GEORGE ALLEN, VIRGINIA  
JOHN ENSIGN, NEVADA

PATRICIA R. FORBES, MAJORITY STAFF DIRECTOR AND CHIEF COUNSEL  
EMILIA DISANTO, REPUBLICAN STAFF DIRECTOR

## United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

June 27, 2002

The Honorable Donald H. Rumsfeld  
Secretary of Defense  
U.S. Department of Defense  
1000 Defense Pentagon  
Washington, D.C. 20301-1000

RE: Update on Waivers of the Berry Amendment

Dear Mr. Secretary:

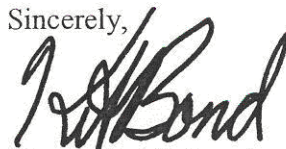
In December of 2001, the GAO published a report (GAO-02-165) pursuant to a request by Senator Jeff Sessions that examined the Defense Logistics Agency's (DLA) attempts to purchase approximately five million black berets for Army forces. One of the issues concerning this purchase transaction was that the berets were not purchased according to the "Berry Amendment," which mandates that the Department of Defense (DOD) buy specified items within the United States.

Unfortunately, due to the Army's urgency to receive the berets, the DLA asked for, and was granted waivers of the Berry Amendment by the Under Secretary of Defense in order to complete the request on time. According to the GAO report, the Under Secretary has granted six waivers of the Berry Amendment from May 1, 2001 up to December 10, 2001.

The reason for my concern is that these waivers undermine the ability of small businesses to compete for contracts from the DOD. In light of this, please provide to me information concerning the status of these waivers. In addition, please provide information on any other waivers granted by the DOD since the publication of GAO's report.

I thank you for your assistance in this matter and would appreciate receiving a report to this inquiry by July 8, 2002. In closing, I hope that you will keep me updated on any further action that is taken regarding waivers issued pursuant to the Berry Amendment. Thank you in advance for your assistance.

Sincerely,



Christopher S. Bond  
Ranking Member

cc: Mr. Edward (Pete) C. Aldridge Jr.,  
Under Secretary of Defense for Acquisition, Technology and Logistics  
Mr. Frank Ramos  
Director, Office of Small and Disadvantaged Business Utilization, Department  
of Defense